Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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Federal Communications Commission
Office of Secretary

In the Matter of: Telephone Number Portability)))	CC Docket No. 95-116
•))	RM 8535
	NYNEX REPLY	DOCKET FILE COPY ORIGINAL

I. INTRODUCTION

The NYNEX Telephone Companies¹ (NYNEX) file this Reply to parties' responses to petitions for reconsideration and/or clarification in the above-captioned matter.

II. PARTIES' OPPOSITIONS TO QUERY ON RELEASE (QOR) WOULD THWART SMOOTH AND TIMELY IMPLEMENTATION OF LONG-TERM NUMBER PORTABILITY, AND SHOULD BE REJECTED

AT&T opposes petitions filed by NYNEX and other parties seeking FCC authorization to utilize QOR to facilitate implementation of long-term portability.² That opposition is without merit.³

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New England Telephone and Telegraph Company and New York Telephone Company.

² AT&T 6-21. <u>See</u> also MCI 7-19; Sprint 2-5; Time Warner 2-6.

Initially, the Commission should recognize that new entrants' customers served via resale or unbundled switching elements will not have their numbers "ported" and thus will be treated, from a technical perspective, as any other customer would on the incumbent LEC's switch. Thus, the various claims of the parties opposing QOR are inapplicable to the extent that customers will be served in this manner. The Commission has established a framework which encourages new entrants to avail themselves of unbundled elements which can be used in combination or resale, minimizing the number of switches deployed by facilities based

At the outset, the Commission should disregard AT&T's baseless rhetoric which charges that incumbent LECs (ILECs) are seeking reconsideration of aspects of the Number Portability

Order⁴ "they deem to threaten their local monopolies." NYNEX seeks reconsideration of the

Number Portability Order to allow carriers to implement QOR on an intra-network basis.

NYNEX's purpose in seeking reconsideration is to simplify implementation of long-term number portability and achieve cost savings, so as to help NYNEX meet the deployment dates and safeguard network reliability. 6

AT&T also offers makeweight procedural objections that the petitions on QOR improperly include new facts and arguments. Clearly, the facts and policy considerations bearing upon QOR represent an evolving area, with new information being made available on an ongoing basis. For example, NYNEX has noted that switch vendors continue to examine requirements for their switches to feature long-term number portability. Such information, which impacts the quantification of cost savings from QOR, is outside NYNEX's control.

Moreover, the public interest warrants FCC consideration of complete, up-to-date information.

competitors. Additionally, Teleport's Reply in support of QOR demonstrates the benefits of this technology to a true facilities based competitor.

⁴ CC Docket No. 95-116 (RM 8535), First Report and Order released July 2, 1996 (FCC 96-286).

⁵ AT&T iii.

NYNEX Petition 3-6. AT&T (at n. 26) wrongly cites NYNEX's Petition, p. 3, as asking the Commission to "clarify" that the <u>Number Portability Order</u> allows QOR. As the cited page, NYNEX clearly stated: "The FCC should reconsider its Order so as to permit carriers including NYNEX to implement QOR on an intra-network basis"

⁷ AT&T 6-7.

⁸ NYNEX Petition 4-5.

AT&T contends that QOR violates the Commission's sixth performance criterion for long-term database methods for number portability, by degrading network reliability and service of customers that change LECs. AT&T is wrong.

It bears emphasis that QOR enhances LRN by requiring database queries only for calls to ported numbers. In the case of LRN without QOR, the database query is performed for all calls to NXXs from which at least one number has been ported, even for calls to non-ported numbers. QOR enhances network efficiency and reliability since the network can be grown with demand, as opposed to the situation of LRN without QOR where NYNEX has to design the network for the expected peak amount of signaling activity. Furthermore, with QOR, the complexity of deploying number portability is mitigated since, for example, less SCP pairs and signaling infrastructure are needed. 10

It is very revealing that even Time Warner (at p. 3) acknowledges that "QOR may create some network efficiencies"

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Opposing parties attempt to make much of their claim that QOR will entail unacceptable post-dial delay on calls to ported numbers.¹² These parties fail to demonstrate that QOR will create any perceptible, unreasonable post-dial delay that outweighs the substantial benefits from

⁹ AT&T 10. See also MCI 7.

NYNEX Petition 4-6. MCI makes the absurd statement that: "[l]ike Dr. Sagan's universe, into which billions of stars fit comfortably, the capacity of telecommunications carriers' SS-7 networks can be easily expanded to handle billions of LNP dips." MCI 11 n. 8. MCI offers no evidence to back up its assertion, which defies common sense. Expansion of SS-7 networks requires substantial additional plant construction, investment and testing in an essentially uncharted area.

Time Warner's claim (p. 3) that QOR will require more signaling capacity at the donor switch is unfounded and incorrect.

¹² AT&T 10; MCI 9; Sprint 2-4.

QOR. NYNEX has indicated that any additional call set-up time resulting from QOR will be in the vicinity of 0.5 seconds, an imperceptible period of time. Other parties have submitted evidence showing such delay will be only between 0.4 and 0.98 seconds. MCI claims that "the post-dial delay associated with QOR could be 1700 milliseconds or more...." MCI's figure is unreliable since it depends upon a number of factors (cited by MCI) not related to the use of QOR, e.g., whether continuity checks are performed on the call.

Moreover, the opposing parties do not come to grips with the fact that LRN without QOR increases post-dial delay for all interswitch calls, whether to ported numbers or non-ported numbers. This will affect calls to all NXXs with at least one ported number, whether the NXX is assigned to an RBOC or a competitor. The FCC should make the policy judgment that such widespread delay can and should be avoided, in favor of efficient, less costly approaches like QOR that create an imperceptible delay on a much smaller set of calls. In this way, the Commission can carry through on the goal in Section 1 of the Communications Act "to make available, so far as possible, to all the people of the United States a rapid, efficient, nation-wide and world-wide wire and radio communication service with adequate facilities at reasonable charges" [Emphasis added.]

Sprint claims that, in the case of LRN with QOR, "it is likely that callers who do perceive the delay will attribute such delay to the fact that the called party has switched to a CLEC...."

¹³ NYNEX Petition 6.

See Bell Atlantic Petition 3-4; BellSouth Petition 22; Pacific Petition 5-6; USTA Petition iii,
 7; U S WEST Petition 13.

¹⁵ MCI 9.

Sprint 4. See also ALTS 3-4.

However, Sprint basically admits its claim is unsupported by evidence since Sprint refers to an absence of evidence on "callers' sensitivity to dialing delays on local calls." Also, Sprint fails to recognize that any increased call set-up time is not experienced by the ported customer, i.e. the customer changing carriers. Any increased set-up time is experienced by the originating customer who is attempting to call the ported customer. Even if such delay were perceptible (which it will not be), it is NYNEX's experience that customers likely will hold their originating carrier responsible, not the called party's carrier about which the caller is unlikely to have any knowledge. Furthermore, Sprint fails to realize that, assuming that number portability is vital to competition, the incumbent LECs will also have customers who port numbers to them as these customers are won over. Thus, under Sprint's scenario, incumbent LECs would experience the same treatment as Sprint.¹⁸

AT&T also maintains that QOR violates the Commission's fourth performance criterion for number portability by requiring competing carriers to rely on network facilities of other carriers. ¹⁹ This contention misses the mark. The query mechanism only impacts the network of the carrier implementing it. QOR can be implemented entirely within one network because that network will not transmit QOR specific signaling to other providers' switches. Other providers would have no additional software requirements if NYNEX implemented QOR. There are no interworking requirements. The carrier implementing QOR uses its signaling network to check

Sprint 4.

For similar reasons, the Commission should give no weight to Sprint's speculation (p. 5) that ILECs will conduct distorted advertising campaigns inimical to new entrants. Negative advertising could just as simply be turned against the incumbents in this regard.

¹⁹ AT&T 14. See also MCI 7-8; Time Warner 4.

whether the location of the terminating number is internal to its network. However, if the number has been ported, the call is not completed there. Otherwise, when NYNEX is the N-1 carrier, it will perform the query.²⁰ If opponents object to this "reliance", NYNEX would allow the terminating network to always perform the query.

AT&T goes on to assert that the record does not show substantial cost savings from QOR.²¹ AT&T is mistaken. Initially, it should be noted that Time Warner states (pp. 3-4): "[a]s NYNEX concedes, it is not at all clear how much QOR will cost and how much it will save carriers that implement it." [Footnote omitted.] Time Warner's statement is incomplete and misleading. NYNEX clearly indicated in the Petition (pp. 4-5) that, while exact quantification is subject to change, significant cost savings can be realized from QOR, i.e., at least \$50 million in up-front savings and \$25 million over five years assuming 30% porting of customers. Other parties have also substantiated the significant cost savings that will be made possible by QOR.²² The Commission must give careful consideration to these cost savings, as long-term number portability will inevitably entail huge costs to be shared by all telecommunications carriers, and consumers will be sensitive to resulting higher costs of service.²³

This results in NYNEX performing the query for every interswitch non-toll call and toll calls where NYNEX is the intraLATA carrier under intraLATA presubscription (ILP).

²¹ AT&T 16. See also Time Warner 3-4.

E.g., Bell Atlantic Petition 5 & n. 5; BellSouth Petition 23; Pacific Petition 7-9; USTA Petition iii, 9-10.

In its Reply (pp. 2-3), TCG recognizes the cost savings QOR will generate.

III. A MODEST CHANGE TO THE DEPLOYMENT SCHEDULE IS JUSTIFIED

AT&T asserts that permanent number portability can easily be implemented in the time frame established by the Commission.²⁴ To similar effect, MCI opposes any modification of the implementation schedule.²⁵ Notwithstanding these parties' position, the Commission should adopt a modest change to the schedule as NYNEX proposes in order to provide for smooth implementation.²⁶

In NYNEX's Opposition and Comments, it proposed an alternative to support the introduction of number portability while minimizing the impact on the reliability of the network. That alternative is to replace the introduction of number portability in the New York MSA during the fourth quarter of 1997 with one of NYNEX's smaller MSAs in the top 100 and then deploy the remaining MSAs with the New York MSA being completed in the first quarter of 1998²⁷ (i.e., the New York MSA would be completed in the first quarter of 1998, the Boston MSA would be completed in the second quarter of 1998, etc.) while still completing NYNEX's portion of the top 100 MSAs by the end of 1998 as FCC's schedule provides. This alternative will allow

²⁴ AT&T 20-21.

²⁵ MCI 16-19.

See NYNEX 2-3. See also BellSouth 6 (FCC should permit MSAs with populations exceeding 1 million to be implemented in 6 rather than 3 months).

As NYNEX addressed in its Petition for Reconsideration (pp. 7-11), NYNEX will be relying on its vendors to deliver the software and hardware necessary for number portability's implementation and NYNEX urges the Commission to accord reasonable flexibility in regard to its deployment schedule given this reliance and other factors beyond NYNEX's control. Commission approval to utilize QOR as well as vendors' ability to deliver all necessary software in the appropriate time frames will significantly lessen NYNEX's reliability concerns regarding number portability's implementation in this vital MSA and those that others follow.

this smaller MSA to serve as a test bed for the introduction of this new capability into the network.²⁸ This course of action is an approach the industry has historically followed and which the Commission has supported to ensure that the introduction of new technologies can be tested in areas such that any potential problems impacting the public can be lessened.

For example, during the implementation of equal access signaling, the test bed for the introduction of this technology was in Charleston, West Virginia. Furthermore, the same concern of introducing new technology into the most complex portions of the network was raised during the 800 number portability introduction. Coincidentally, a coalition of large users raised the same concern that impacts the current schedule -- new technology was being introduced into the network during the busiest time of the year. In that instance, they petitioned the Commission, which ultimately granted their request, to delay the introduction of 800 number portability until after the holiday season.²⁹

Thus, to balance the needs of facilitating competition with maintaining the integrity of the public switched network, NYNEX recommends the alternative offered above that a smaller MSA be implemented during the fourth quarter of 1997. This deployment can serve as a trial site and once the technology needed for number portability is adequately tested, the schedule can proceed as the Commission has specified, <u>i.e.</u>, New York in the first quarter of 1998, Boston in the

This modification would also assist in resolving NYNEX's concern that the report from the Illinois field test would not be available in a timely fashion, and that NYNEX would be deploying new technology in its most complex market without adequate testing. NYNEX Petition, pp. 10, 12 & n. 24. The industry as a whole would then have a better ability to share information on its findings in regard to implementing this new technology.

²⁹ NYNEX Petition 10 & n. 25.

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second quarter of 1998, etc. while still completing NYNEX's portion of the top 100 MSAs by the end of 1998 as FCC has required.

III. CONCLUSION

Notwithstanding certain parties' opposition filings, the Commission should afford carriers the ability to use Query On Release on an intra-network basis in implementing long-term number portability, and should accept NYNEX's proposed modest change to the implementation schedule to serve the public interest.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I, Yvonne Kuchler, hereby certify that copies of the foregoing NYNEX

REPLY COMMENTS in CC Docket No. 95-116 were served on the parties listed on the attached service list, this 10th day of October, 1996, by first class United States mail, postage prepaid, or by hand where noted.

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